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REPORT OF THE EXPERT GROUP MEETING ON URBAN INDICATORS FOR COUNTRY REPORTING

1. Annexed hereto is the final report of the Expert Group Meeting on Urban Indicators for Country Reporting, held at the headquarters of UNCHS (Habitat) from 10 to 15 January 1994.

2. This report is submitted in response to resolution 14/20 of the Commission on Human Settlements, which, under paragraph 26 of its annex, requested the Habitat II secretariat to develop a set of indicators and other *ad hoc* tools and instruments to assist countries in assessing human settlements conditions. In pursuance of this decision, UNCHS (Habitat), in association with the World Bank, has taken the initiative to develop a set of urban indicators to assist governments in the preparation of country reports for the Habitat II Conference. The indicators are designed to capture essential elements of urban sector performance and help in monitoring the progress of the urban sector towards desired policy goals.

3. The report recommends an incremental approach to the introduction of urban indicators. The first-stage urban indicators, which focus on immediate problem areas grouped within seven well-recognized sectors of urban development - together with the key set of housing indicators endorsed by the Commission on Human Settlements - will assist countries to adopt a common methodology in the preparation of their country reports and focus on the two major themes of the Conference in assessing the human settlements conditions. Further, the use of indicators will also assist in identifying effective interventions to meet the real needs of the sector in the preparation of the national action plans.

4. In reviewing this report, the Preparatory Committee may consider approving the incremental approach to the development of urban indicators as is recommended in the report and endorsing the set of first-stage indicators, revised as necessary, for application in the preparation of country reports for the Habitat II Conference.

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1. INTRODUCTION AND OVERVIEW

1.1 Background

The current interest in defining and implementing a series of urban indicators among both governments and external support agencies reflects the increasing dominance of the urban sector in national economic and environmental development. The rate of urban growth is the single most important phenomenon in transforming human settlements in developing countries. Cities are currently absorbing some two thirds of total population increase in developing countries and more than half of this growth results from natural increase and not rural-urban migration. Over 50 per cent of the World's population will be living in cities by the year 2000. In many countries there has been reluctance by governments to face up to the inevitability of continuing urban growth, even though a majority of GNP is generated within urban centres. Not surprisingly, given the rapid transformation of settlements into urban centres in many developing countries within the space of a single generation, and the unwillingness to address the development issues arising, there has been little attention paid to urban indicators until recently. However the mood is changing; stakeholders in the city, be they residents, businesses, producers and consumers of services, governments, or external support agencies, increasingly have major long term commitments to the city, are faced with more and more complex technical and institutional choices in contributing to efficient and equitable urban growth, and realize that new tools are needed to help them make such decisions.

The immediate demand for such urban indicator tools is reflected in the emphasis being given to the identification and formulation of policy-sensitive urban indicators for use by governments in preparing country reports covering the following major themes proposed for the second United Nations Conference on Human Settlements - Habitat II, in 1996: Sustainable Human Settlements in an Urbanizing World, and Shelter for All. The Urban Indicators Programme, together with the Housing Indicators Programme developed under a joint programme of UNCHS (Habitat) and the World Bank, will provide a rigorous and analytic foundation for national reports and global reviews undertaken as part of the preparatory process leading to Habitat II. An International Expert Group Meeting on Urban Indicators Programme, was held at UNCHS (Habitat) headquarters, Nairobi, Kenya, from 10 to 14 January 1994, to identify a preliminary set of policy-related indicators and to develop a programme for their further development. The present report reflects the discussions and conclusions of that meeting.

1.2 Existing progress in the Urban Indicators Programme

The present report has analysed and drawn on several existing reports on various components of urban indicators. Those most relevant includes:

- **Housing Indicators Programme,** initiated in 1990 by UNCHS (Habitat) and the World Bank and a direct antecedent of the present initiative on urban indicators
- **Urban Environmental Indicators Questionnaire,** developed from 1989 to 1990 by an international technical working group as part of the global UNDP/UNCHS (Habitat)/World Bank Urban Management Programme
- **Sustainable Cities Programme,** begun in 1990 as a follow-up to the 1987 UNCHS (Habitat)/UNEP Environmental Guidelines for Settlement Planning and Management and currently linked to the Urban Management Programme
- **City Data Programme,** launched during the thirteenth session of the Commission on

Human Settlements at Harare in 1991, and consisting of the Kenya Pilot Project, the Romanian Pilot Project and the global UNCHS (Habitat) City Data Project

- **UNDP Human Development Report (annual), World Bank World Development Report and Social Indicators of Development (annual)**

- **Urban Poverty Indicators** - Netherlands Economic Institute, 1992

- **USAID Office of Housing and Urban Programme** - Sectoral Performance Measurement Indicators.

1.3 Objectives

The general objective of the present report is to provide a set of policy-related indicators for performance assessment of the urban sector which relate to the Habitat II themes of "Sustainable Human Settlements in an Urbanizing World" and "Shelter for All". Urban indicators should be designed to provide a framework for monitoring the performance of both individual cities and a country's urban sector as a whole. Indicators should be capable of being applied in a consistent manner across countries although recognizing that resource deficiencies in many countries may mean that their implementation will take place over widely differing time periods.

Chapter 2 presents the rationale for using urban indicators, including the likely benefits, key constraints and criteria which underlie such a programme. Chapter 3 presents the broad framework for the recommended Urban Indicators Programme. Chapter 4 proposes the detailed indicators, linked to both policy goals and policy instruments. Chapter 5 makes preliminary proposals for a second stage Indicators Programme, while Chapter 6 shows the recommended implementation strategy for the Urban Indicators Programme.

2. THE RATIONALE FOR THE URBAN INDICATORS PROGRAMME

2.1 Why use the Urban Indicators Programme?

The increasing importance of the urban sector discussed above requires new tools to help interpret urban dynamics, provide means to measure changes in urban conditions and assist in policy-making processes at the city, metropolitan and national levels.

The benefits of using urban indicators are as follows:

(a) The need to gauge the magnitude of urban sector problems

The Urban Indicators Programme will help city managers and local/national agencies to prioritize needs and actions within and between key urban sectors at both the national and city levels. The Programme will also help to focus national and international attention on the role, importance, interactions and resource needs of the urban sector within national economies.

(b) Incidence of problems over space and time

Beginning with the relatively simplistic list of indicators recommended for the first phase of the Programme, data will be collected at the city, representative group of cities and national urban levels, depending on the ease of obtaining the data. Countries will collect data on a regular basis at an appropriate frequency for a particular indicator. This on-going process will give governments at central and local levels a powerful tool to monitor if and by how much particular urban sector problems are being overcome and how changes in policy are influencing outcomes over time. It will also allow comparison between countries and cities of the relative speed at which problem areas are being addressed and clues as to why there are inter-city and inter-country differences in dealing with the problems.

(c) Influence on the design of policy, programme and project initiatives

A critical role for indicators is to influence future policy, programme and project initiatives in accordance with the goals of urban development, giving a wide range of benefits to stakeholders in the urban sector as well as major political "payoffs".

However, as there are many gaps in knowledge of causes and effects in many components of urban development, it is necessary to be cautious in identifying normative goals against which to measure progress. Because of these reservations on developing a comprehensive framework for characterizing urban development, it will be realistic in most countries to focus any system of policy driven indicators on the recognition of widely-agreed "problem" areas (e.g., environmental degradation, inadequate access to shelter, unemployment etc.)

As the Programme moves into subsequent stages, countries will benefit from increased understanding of cause and effect in many components of the urban system which are currently not well understood. However, such more sophisticated understanding will often require substantive new resources of field research, analysis etc., which may be beyond the capacity of a particular government or city. The Indicators Programme will allow sharing of such relatively expensive research among countries interested in that particular sector or sub-sector. In order for this benefit to come about, it will be critical for the Indicators Programme to be carefully integrated into the growing number of urban information exchange networks around the world.

This last benefit highlights a critical element of the Indicators Programme. Different cities, countries and regions have different historical, cultural, physical and social frameworks which influence their particular priorities in urban issues. Countries will therefore have varying requirements from the Indicators Programme and similarly will have an interest in other countries' experience in their particular areas of focus. It will be important, therefore, for flexibility to be built into subsequent stages of the Programme to allow countries with common experiences and policy initiatives to be able to exchange information.

Implementation of the Indicators Programme will also help governments to give better organization and coordination to the institutional frameworks for urban development policy, programme and project delivery, again with the benefit of experience in other cities and countries to guide them where relevant.

From the viewpoint of external support agencies, implementing sectoral rather than project-by-project assistance, the Indicators Programme will be invaluable in helping measure system-wide impacts of policies and programmes.

2.2 Who are the users?

Implementation of an Urban Indicators Programme will benefit everyone in the city directly or indirectly. However, it is useful to group beneficiaries in terms of stakeholders. The most important of these are the residents or consumers in the city, but in addition there are the producers of services, infrastructure and utility agencies, regulatory organizations, e.g., local governments, financial organizations, private sector businesses and many others.

A more familiar grouping of stakeholders is as follows

- residents
- city managers
- commercial/business organizations in the city
- national government agencies
- sectoral agencies
- NGOs and CBOs
- external support agencies

Each of these users will have a wide or narrow focus on the urban sector, but all will be involved directly or indirectly in developing policies, programmes and projects for urban development and can use indicators to help measure progress within their interest areas and to compare such progress with other cities/countries. (To this end, outputs of the Urban Indicators Programme should play a key role in the various city networking activities developing in various regions of the world.)

2.3 Constraints on the formulation of an Urban Indicators Programme

There are a number of constraints which should be taken into account in the design of an effective Urban Indicators Programme, which can be summarized as follows:

(a) Understanding urban change

Many aspects of city development, particularly in developing countries, are not well understood although having a major impact on residents' well-being. Three examples may be given. First, while it is commonly agreed that the informal employment sector plays a dominant role in

developing country cities, the dynamics of the sector, interactions with the formal sector, barriers to entry to the sector and even the definition of "informal" are not well researched. Secondly, while most transactions in land take place by individual transfers, subdivisions etc., the average level of understanding of land market dynamics, including the roles of informal landbrokers, the key impacts of investments in infrastructure on land prices and the real costs of land transactions is low, particularly within the local administration. Thirdly, there is incomplete knowledge on the interacting effects of changes in social and environmental actions on community health. Improved health may be the direct or indirect result of one or more of a
complex set of factors such as the standards of water supply and sanitation, exposure to pollution, nutrition levels, availability of basic health care, education standards etc.; the particular contribution of each factor is very difficult to isolate.

In each of these cases, the use of single indicators and/or averages may not give a true measure of the underlying causes and effects, while the use of more comprehensive indicators may require research resources which are unavailable.

(b) Defining the urban area

As already discussed, defining the boundary of the urban area to be "measured" is open to potential problems. First, "urban" areas are defined differently among countries in terms of the minimum level of urban characteristics. They may also be defined differently in terms of:

(a) Whether they reflect the total built-up area or the local government jurisdiction;

(b) Whether they reflect the concept of a metropolitan region, which itself may be defined differently between countries.

The definition problem becomes more acute where urban indicators are attempting to measure the environmental well-being of the urban area. For example, a city-level energy audit might indicate that the city is relatively self-sufficient in fuel use (i.e., minimizing the use of imported oil and natural gas) but may miss the fact that city energy demand is at the expense of fuelwood supplies within a large radius around the city.

The choice of indicator needs to be carefully matched, therefore, to the relevant urban boundary and the costs of obtaining data outside this boundary.

(c) Definition problems

There will be a constant problem of defining normative values where there is inadequate information/agreement on the value concerned. A common example relates to levels of service for infrastructure; for example, "adequate access to water supply by households" is clearly open to a range of interpretations. Defining target levels of service which focus on the volume of potable water received by the household according to income group is much less so. Definition problems increase where urban indicators attempt to move beyond the final consumers (i.e., residents, businesses, landowners etc.) to include urban management concerns such as municipal finance, public-private cooperation in development, the role of local communities in development decision-making and so forth.

In such areas, subjective judgement will play a large role in the use of indicators, even where attempts are made to weigh individual factors, and would normally rule out the application of such indicators. Yet to do so may miss some critical elements of urban dynamics.

(d) Cultural, social and historic influences

The use of indicators on a comparative, cross-country, basis needs to address issues of often widely differing national and/or regional traditions which affect urban growth processes. It may be dangerous for example to set up indicators which attempt to measure residents' satisfaction with their legal rights to land or housing measured against some normative viewpoint. In one country there may be a strong market-driven preference for full individual plot ownership; in others there may be a strong tradition of cooperative ownership and/or forms of renting. Again cultural/religious traditions often impact strongly on community preferences for types of water supply, sanitation, house types etc.

Clearly therefore, comparative indicators which impact most deeply on cultural, social and historic traditions may only apply to a particular group of countries. Once again, care will be needed to be specific about the end users of the recommended Indicators Programme.

(e) Statistical limitations

A major constraint on the implementation of an Urban Indicators Programme is the frequent absence of readily available and up-to-date data at the city and/or urban level. Typical sources such as a ten yearly census, income and expenditure surveys etc. are frequently not tabulated by urban/city categories. Immediately, therefore, questions arise as to whether it is feasible or worth-while setting up special surveys, whether the costs of such surveys can be shared among departments or organizations with common interests in the results (e.g., multi-purpose household surveys), and whether it is feasible to convert them to a regular data-collection instrument at the city/urban level. It needs to be mentioned, however, that many indicators can be enumerated directly from administrative city records and, therefore, do not require costly sample surveys.

It is important to recognize the limitations of simple indicators with respect to their links to policy instruments. Even if there is a fairly good link between a specific policy instrument and an indicator, there are normally other policy actions - some of which are initiated at the national level - which will significantly influence a particular outcome measured by one indicator. This phenomenon is commonly known as interdependence, both in time and space: it is often represented in macro-econometric models.

A parallel constraint on formulating urban indicators is the frequent long gaps (5 or 10 years) in the timing of government censuses and other surveys, as well as the delay in processing and publishing the data. Such time periods may not be appropriate for measuring many aspects of urban interdependencies and dynamics such as land prices and housing affordability. Again the Urban Indicators Programme may be more effective if focused on a narrower range of items where it is possible to provide more regular (annual or biannual) data collection.

f) Range of data values

The simplest indicators will represent average or median data and provide a crude measure of comparison over space or time. However, such data often will not highlight a common concern for policy-makers - the range of values for the urban component being analysed. This problem is most strikingly observed where measurement of poverty is concerned. As discussed in chapter 4.3.1, a critical need is to obtain information on the incidence, depth and severity of poverty so that indicators can be more meaningfully related to policy variables (i.e., social services, infrastructure services, economic strategies and institutional measures).

2.4 Criteria for selecting an Urban Indicators Programme

Based on the overall rationale for and constraints on urban indicators, the following criteria for selecting indicators can be identified.

(a) The indicator "package" should be capable of providing an immediate broad overview of the economic, social and environmental "health" of the city, understandable by residents and using primarily existing data sources;

(b) The Urban Indicators Programme should distinguish between city-level sectoral indicators and national-level urban indicators;

(c) Indicators should be prepared based on two levels of priority and ease of data collection. The highest priority would require only immediately available data. The second priority would contain indicators of a lower priority and/or priority indicators requiring significant new field surveys, research into inter-relationships between cause and effect etc.;

(d) Indicators should, where possible, refer to data for the whole built-up area at the time of survey. Where such coverage is not possible, then the source of data of the constituent local administrative areas forming the built-up area should be identified where possible;

(e) Indicators should be capable of showing the magnitude of problems (i.e., quantifiable wherever possible, using proxies as necessary);

(f) Indicators should be policy-sensitive (i.e., subject to change with the systematic application of policy instruments) and demand-driven;

(g) Indicators where there are problems of definition or data collection (e.g., subsidies, homelessness) should not be included in the first priority package;

(h) In general, composite measures requiring weighting should not be included in the first-stage indicators;

(i) The level of detail and comprehensiveness of the data collection required for a country indicator programme should at any one time be within the resources of central/local government, as appropriate;

(j) The Urban Indicators Programme should clearly identify which components are relevant to which stakeholders (city managers, private-sector organizations, national government departments/agencies, external support agencies etc.)

3. RECOMMENDED FRAMEWORK

3.1 Alternative approaches: simple versus composite indicators

It has already been noted that the rate of growth in cities, particularly in developing countries, and the increasing diversification of urban systems, are outstripping the currently available tools for measuring such changes. At the same time, such cities are more and more in need of effective and better coordinated policy indicators to help them identify existing problems and prevent the emergence of new ones, be they technical, financial, managerial or environmental. In addition, there is a growing diversification of cities in terms of size, rates of growth, economic dynamism, divided social structure etc. This growing complexity of urban systems presents a dilemma; on the one hand there is a need for more sophisticated theories of urban change and interactions, along with a more comprehensive system of composite indicators; on the other hand there are urgent urban problems which need short-term policy initiatives to help overcome them and which need problem-oriented indicators which are simple, robust and within current national/local capacities to implement.

It can be seen that implementing a comprehensive indicator system lies well in the future for most countries, requiring as it does research into the dynamics of urban systems and the use of significant resources for the more complex analytical measures needed.

Simple indicators can be cost-effective and practical if they are carefully chosen in relation to identified high priority urban problems. However they will still need to be based on as clear an understanding as possible of cause and effect in key urban processes such as environmental degradation, land development and informal sector employment creation.

An incremental approach to the introduction of urban indicators over the next few years is, therefore, recommended as the best method of meeting the conflicts of demand and resources available. In the first stage, a limited set of indicators should be used to focus on immediate problem areas, grouped within broad well-recognized sectors of urban development and capable of monitoring policy changes. Given the problems of understanding the multiple impacts of policy actions on a given output as discussed in chapter 2.3, it is recommended that a set of urban indicators dealing with this aspect of urban policy be developed through further analysis.

3.2 Preferred approach

The recommended components of the preferred approach to designing the Urban Indicators Programme are as follows:

(a) Simple indicators

As discussed in chapter 3.1, the Programme should be based initially on a group of simple indicators, which are:

- easily understood by all stakeholders
- related to the interests of one or more groups of stakeholders
- measurable using immediately available data at the city or national level
- relevant without the use of weightings
- clearly related to urban policy goals and capable of being changed by the use of policy instruments
- linked where possible to the three themes of economic, social and environmental sustainability

(b) Incremental development of the Urban Indicators Programme

There are two primary agenda guiding the development of the Urban Indicators Programme. The immediate needs of cities are related to urgent urban problem areas (as discussed in chapter 2.1.) These urgent needs are also the subject of the Urban Indicators Programme to be developed for guiding the country-level preparatory process leading to the second United Nations Conference on Human Settlements (Habitat II) in 1996 and reflect the targets of Agenda 21.

There is also the need for the longer term development of an Urban Indicators Programme, to help regular monitoring of performance of the urban sector and help guide future urban development policies, a process which needs to proceed in parallel with research leading to a more fundamental understanding of urban dynamics.

To reflect these agenda, it is recommended that the Urban Indicators Programme framework should be based on a two-stage approach.

(c) A Country-based, participatory approach

The Urban Indicators Programme should be based on perceived issues, problems and resources at the country level. It is emphasized that the Programme should not assume a preordained, normative, view of optimum city development; any such view should be at the discretion of a particular country. It follows that the rise or fall of an indicator does not necessarily have a normative significance. However, the direction of change in the indicator may be very helpful, with further analysis, in suggesting comparative norms. Further, as the Urban Indicators Programme extends worldwide, there will be increasing opportunities to develop comparative norms which are valuable for analysing the causes of regional variations.

Given the emphasis on demand-driven approaches to urban indicators and the increasing emphasis on community involvement in urban affairs, countries should be able to make their own choices on priority urban problem areas, even where they may not be in a position to use relevant indicators in the first stage. For this reason, it is recommended that countries should receive a set of guidelines to assist in their preparation of country reports for Habitat II which would, *inter alia*;

- Identify a long list of potential urban problem areas, which may or may not be relevant to a particular country, and the cause and effect interactions (where known) related to each problem area.
- Provide guidance on the levels of effort needed to obtain data for particular urban indicators.
- Provide guidance on the help available from external support agencies which could be drawn on by country respondents.

The agenda for the second stage in the development of the programme should be defined by individual countries and would incorporate successive extension in the coverage and depth of the Programme. Naturally, progress would vary by country according to the nature of the urban systems, evolving understanding of the relationship between indicators and systems, and the resources available at the country level for research, data collection, data synthesis etc. In turn, external support agencies can help those using indicators at the country level by dissemination of comparative data, best

practice, etc. related to particular urban issues and problems.

(d) National and city level data

It is recommended that the Urban Indicators Programme comprise;

(a) City-level sectoral indicators which are demand-driven (i.e., relevant to the interest of one or more stakeholders) and policy-responsive (i.e., capable of change as a result of the use of policy instruments);

(b) National-level urban indicators which provide a broad basis for inter-country comparisons over time and which provide data of common interest to all sectoral interests.

e) Groupings of indicators

Based on the conclusions of chapter 2 and the experience of UNCHS (Habitat), the World Bank, other external support agencies and country-level urban sector representatives, the following seven groupings of indicators are proposed for the first stage of the Urban Indicators Programme:

(1) Urban poverty, employment and productivity
(2) Social development
(3) Infrastructure
(4) Transport
(5) Land and shelter
(6) Environmental management
(7) Local government

These groupings are judged to be a reasonable compromise between the need to lay the foundations for analysing increasingly complex urban dynamics and the need to address commonly understood priority problem areas with only limited data resources.

4. THE RECOMMENDED FIRST STAGE OF THE URBAN INDICATORS PROGRAMME

4.1. National Urban Indicators Programme

A number of common demographic variables should form the basis of national-level urban indicators. These include demographic indicators included in table 2, i.e., population characteristics and growth, crude birth and death rates and household size and growth, all disaggregated by urban and rural components and gender. This type of data is commonly drawn on by all sectors. Other relevant data which can be obtained at the national urban level include household income. Such data are of fundamental importance since they will contribute directly or indirectly to the formulation of most policy goals and therefore to the choice of accompanying indicators.

In building up a national urban database, it is important to recognize that each country has its own institutional history of data collection, reflected in the division of labour concerned with statistics between national and local levels. In many countries, perhaps 60-70 per cent of data is generated and stored at the national level. In theory these data should be available to city managers on a regular basis. In fact this is not the case in many countries, thus depriving city managers of quantitative data on fundamental management information. Although urban/rural data sets are compiled by national statistical institutions, often they are either not interested or lack necessary resources to make city-specific disaggregations of this information. It will be important therefore to make an inventory of on-going and scheduled statistical programmes for a particular country, and to review the statistical topics and variables enumerated by all surveys and censuses, in designing a national Urban Indicators Programme. The coverage and depth of the Urban Indicators Programme will be strengthened by the extent to which urban data can be assembled from as many individual cities as possible, but clearly this will only be possible in the long term in many countries due to resource constraints relating to data collection.

4.2 City level sectoral indicators

The recommended priority indicators relating to selected policy goals covering the groupings referred to in paragraph 3.2 (e) are shown in tables 1 to 7. The first-stage city-level sectoral indicators are structured as follows:

- Policy goals and sub-goals
- First-stage indicators
- Policy instruments

4.3. Indicator definitions

The indicators identified for application in the preparation of national reports have been defined and will be made available to countries as part of the overall guidelines for the preparation of national reports. The elaboration of definitions of indicators identified under the second-stage indicators in this report will be undertaken as an activity under the further development of those indicators.

Table 1. Poverty, employment and productivity

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
Reduce urban poverty • Reduce extent of poverty • Reduce depth of poverty • Reduce severity of poverty • Reduce duration of poverty	1.1 Percentage households below poverty line 1.2 Percentage women-headed households below poverty line 1.3 Ratio of average income of poor to poverty-line income 1.4 Percentage of poor's household expenditure on food 1.5 Percentage of poor adults who are literate	See table 3 for data on access to basic services	• Poverty reduction programme, including community self-help schemes
Increase employment opportunities • Stimulate creation of new jobs • Facilitate equitable distribution of employment opportunities • Facilitate upgrading of skill composition of employment • Establish and maintain good working conditions	1.6 Unemployed population by sex, age and duration		• Promotion of investment • Provision of credit facilities, particularly for small enterprises • Labour market information flows • Support to functioning of informal sector • Fiscal incentives for training • Land-tenure legislation
Facilitate expansion of economic activity and increase urban productivity • Facilitate expansion of demand for urban goods and services • Ensure availability of inputs to urban economic activities • Promote competitive input markets • Ensure that public service provision is responsive to the needs of investments • Ensure that local regulations promote rather than hamper business expansion	1.7 Percentage enterprises using own sources of water/electricity 1.8 Ratio of average change in city employment to average change in national employment	See table 7 for local government role in local economic development	• National policy for training and skill upgrading • Fiscal incentives for industry modernization • Upgrading infrastructure

Table 2: Social development

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
Promote sustainable demographic growth • Ensure city-wide economic and financial policies reflect rate and characteristics of population growth • Ensure social-service strategies reflect rate and characteristics of population growth • Coordinate regional-urban development strategies with desired city population growth	2.1 Population by age 2.2 Rate of population growth 2.3 Crude birth rate 2.4 Crude death rate 2.5 Number of households by size 2.6 Rate of household growth by size		• Population policies • Strategies for city-wide economic and social development • Regional planning strategies
Facilitate health and education for all • Improve access to health and education services • Improve affordability of health and education • Improve quality of health and education • Improve operational efficiency of health and education services • Improve quality and quantity of training services	2.7 Under 5 years mortality rate 2.8 Gross enrolment rates in primary/secondary schools by gender	See table 3 for indicators on access on basic services contributing to improved health	• Investment in primary health care and education • Nutrition and health awareness programmes • Training of medical staff • Social-security system • Improved cost recovery
Promote social integration • Increase public safety • Reduce polarization of city districts by income • Facilitate community awareness	2.9 Crime rates per 1000 population by type of crime		• Investment in public safety services • Provision of recreation and other amenities • Social integration programmes
Promote full participation of women • Full inclusion of women in government decision-making • Provide health and day-care for working women • Facilitate equal land-tenure rights for women • Facilitate equal access to credit for women to support their families	2.10 Percentage of women elected to public offices	See gender-related indicators in other sections	• Affirmative actions • Establish public agency for women's affairs

Table 3: Infrastructure

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
Improve provision of water supply • Improve access to water • Improve affordability of water • Improve quality, convenience, and reliability of water	3.1 Percentage households with connections to piped supply, by gender	See table 7 for role of infrastructure in promoting local economic development	• Capital/maintenance expenditure • Roles for public and private sector • Tariff structures • Credit for connections • Regulations/licensing • Subsidies
Ensure sustainability of water delivery systems • Improve financial viability of water utilities • Improve operational efficiency of water utilities • Promote efficiency in informal water supply	3.2 Ratio revenues to operating costs	"	
Improve provision of sanitation services • Improve access to sanitation services • Improve affordability of sanitation services • Improve quality, convenience, and reliability of sanitation services	3.3 Percentage sewerage connections/households, by gender	"	(As above)
Ensure sustainability of sanitation service systems • Improve financial viability of sanitation utilities • Improve operational efficiency of sanitation utilities • Promote efficiency in informal sanitation	3.4 Ratio revenues to operating costs	"	
Improve provision of electricity service • Improve access to electricity • Improve affordability of electricity • Improve reliability of electricity provision	3.5 Percentage electricity connections/households, by gender	"	(As above)
Ensure sustainability of electricity service • Improve financial viability of electricity utilities • Improve operational efficiency of electricity utilities	3.6 Ratio revenues to operating costs	"	
Ensure sustainability of solid-waste disposal service • Improve financial viability of solid-waste disposal enterprises • Improve operational efficiency of solid-waste disposal enterprises • Promote efficiency in informal solid-waste disposal	(See table 6 for indicators)	"	(As above)

Table 4: Transport

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
improve performance of urban transport systems • ensure provision of adequate system capacity • improve efficiency of road network use • improve transport affordability • improve quality, reliability, and convenience of transport services	4.1 Percentage trips by non-motorized modes 4.2 Average trip cost for work trips (private mode) 4.3 Average trip speed for work trips (private mode)	See table 6 for indicators on air pollution	• better integration of spatial and transport planning • capital investment/maintenance expenditure • traffic management • public/private allocation of road space • vehicle regulations • licensing/taxation/subsidies
ensure sustainability of urban transport systems • improve financial viability of public transport enterprises • improve operational efficiency of public transport enterprises • promote efficiency among private and informal transport operators • minimize adverse environmental consequences of urban transport systems • facilitate efficient land-use policies	4.4 Average trip cost for work trips (public mode) 4.5 Average trip speed for work trips (public mode) 4.6 Percentage work trips by public transport 4.7 Automobile ownership/1000 population 4.8 Traffic accidents per 10,000 population		

Table 5: Shelter and land

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
Improve provision of housing and land • Facilitate production of housing in response to demand • Improve quality of housing • Improve affordability of housing • Facilitate efficient urban land markets	5.1 House price to income ratio 5.2 Rent to income ratio 5.3 House production/1000 population 5.4 Floor area per person	See table 7 for role of property tax in local government budget	• Land development techniques • Land market information system • Formal and informal housing- credit mechanisms • Regulatory environment
Ensure sustainability of housing delivery systems • Ensure adequate supplies of housing inputs, including finance • Facilitate provision of residential infrastructure in response to demand • Rationalize subsidy systems • Rationalize systems of regulation and property rights	5.5 Housing investment as a percentage of city GDP 5.6 Percentage permanent structures 5.7 Percentage housing in compliance with current regulations 5.8 Housing credit portfolio 5.9 Per capita infrastructure expenditure 5.10 Percentage land transactions taking place in the formal sector	See table 3 for indicators on access to infrastructure	• Tenure security • Supply of basic construction materials • Incremental housing-construction regulations

Table 6. Environmental management

POLICY GOALS/SUB-GOALS	First-stage indicators	Cross-references	Policy instruments
Mitigate environmental costs of urban development			
• Achieve target environmental quality standards • Promote self sufficiency in allocation of pollution costs • Minimize industrial water pollution • Achieve safe disposal of industrial waste • Minimize indoor and outdoor air pollution	6.1 Ratio of intake to outflow presence of faecal coliforms in major wastewater receiving bodies 6.2 Cost of wastewater treatment per cu m treated 6.3 Accumulated daily concentration of air pollutants in excess of WHO standards 6.4 Percentage solid waste to sanitary landfill or incinerator 6.5 Solid waste generated per capita/per day 6.6 Percentage population enjoying regular solid waste collection, by gender 6.7 Rates of revenues to operating costs	See table 4 for policy goals on minimising adverse environmental consequences.	• Standards/regulations/enforcement • "Polluter pays" strategy • Infrastructure investment • Waste planning • Quality monitoring frequency
Achieve sustainable environmental management			
• Manage use of natural resources on a renewable basis • Achieve sustainable river and ground water utilization • Achieve sustainable forest resources utilization • Minimize destruction of historic buildings	6.8 Lowering of groundwater table in cm in past year 6.9 Percentage vacant/agriculture land to total land area		• Water resource planning • Transport/energy/fuel pricing policies • Land-use planning/regulation • Scientific forest harvesting
Improve household level energy efficiency	6.10 Percentage households using fuelwood for cooking/heating		

Table 7: Local government

Policy goals/sub-goals	First-stage indicators	Cross-references	Policy instruments
Improve intergovernmental institutional arrangements • Ensure full delivery of services assigned to local governments • Ensure clear allocation of responsibilities among tiers of governments and parastatal agencies • Promote greater financial autonomy at local-government level • Promote certainty in inter-governmental transfers	7.1 Percentage own-source revenues/total revenues		• Legislation/regulations governing powers and responsibilities of each level of government
Promote democratic participation in local-government decision-making • Promote participation of community groups in local decision-making • Increase accountability of city officials to residents • Improve public awareness of legal-democratic rights	7.2 Number of elected councillors/100,000 population, by gender 7.3 Voter participation rates, by gender		• Legislation • Promotion of community awareness • Transparency in local-government operations
Rationalize revenue generation • Improve linkages between service flows and payment for those services • Maximize cost recovery	7.4 Ratio user-charges to own-source revenues 7.5 Ratio property tax revenues to own-source revenues 7.6 Ratio long-term debt to total revenues		• Local-government land cadastral/registration/collection efficiency • Revenue administration
Strengthen role of local government in local economic development • Promote efficiency in land transactions • Maximize access to infrastructure and communications • Ensure regulations facilitate rather than hamper operation of local economic activities	7.7 Real per-capita capital expenditure (3 years average) 7.8 Telephone lines/1000 population	See table 1 for goal of facilitating expansion of economic activity	• Spatial planning policies • Financial/economic incentives to businesses
Enhance effective use of public resources • Improve productivity of staff • Facilitate optimum expenditure on maintenance activities • Ensure efficient balance of local government and contractual services	7.9 Ratio of personnel expenditure to recurrent expenditure 7.10 Number of local government employees/10,000 population 7.11 Ratio of contracted recurrent expenditure to total expenditure		• Budgetary/accounting efficiency • Training programmes • Legislation/regulations

5 SECOND STAGE INDICATORS PROGRAMME

Tables 8-14 summarize the second-stage indicators for each sector. It should be noted that those shown are mainly simple rather than composite indicators, and that space does not permit further definition or significance of each indicators.

In addition to the further surveys and analysis needed to address second-stage indicators, countries can begin to consider their priorities for longer-term research into important urban issues where there are few indicators which can be identified at present. Examples of common areas for more fundamental research are as follows.

- Definition of informal sector employment and activities and their importance to the prosperity of the formal sector and the city economy overall
- Priority interventions to benefit households living below the poverty line
- Significance of the various contributions to improved community health (nutrition, water supply, sanitation, education etc.) and resulting policy-intervention priorities
- Cost benefit analysis of the private or public provision of city level services
- Effectiveness of physical, economic, financial, legal and cultural tools in policies to promote improved social integration
- Institutional improvements needed to achieve better integration of transport and land-use planning
- Means of identifying the contribution of vehicle emissions to overall city pollution levels
- Effective tools for implementing "polluter pays" policies
- Impact of delays in land and property transactions on individual and city-level income and identification of tools to address delays such as improved cadastral and registration procedures
- Analysis of the direct and indirect costs of ineffective land-use regulations and identification of more efficient tools to achieve basic land-use management

Table 8: Second-stage indicators - poverty, employment, productivity

Policy goals/sub-goals	Second-stage indicators
Reduction of urban poverty • Reduce extent of poverty • Reduce depth of poverty • Reduce severity of poverty • Reduce duration of poverty • Choose effective anti-poverty instruments • Target subsidies effectively • Encourage participation of the poor in programme design • Minimize fiscal and other distortions	• Ratio of income of population below poverty line to national income • Percentage households below poverty line for a continuous period of 5 years • Average cost per litre of water • Average time spent in fetching water • Percentage of expenditure on water as percentage of monthly household income • Ratio of average caloric intake of poor to minimum subsistence caloric intake • Percentage metropolitan area income devoted to human resource development of the urban poor • Percentage of government expenditure on human priority concerns accruing to households below the poverty line • Percentage of subsidies for human priority concerns which are "on budget"
Increase employment opportunities • Stimulate demand for employment • Facilitate equitable distribution of employment opportunities • Facilitate upgrading of skill composition of employment • Establish and maintain good working conditions	• Rate of growth of employment (5 years) • Annual rate of growth of investment to GDP (public/private) • Age-wise male/female unemployment rate • Ratio of female wage rate to male wage rate • Average years of formal education and/or training of a representative worker • Percentage skilled unemployment to total employment • Average wage rate • Fringe benefits as percentage of wage bill
Facilitate expansion of economic activity • Facilitate expansion of demand for urban goods and services • Ensure availability of inputs to urban economic activities • Promote competitive input markets	
Increase urban productivity • Create competitive conditions in urban input and output markets • Increase opportunities for tourism and external trade • Ensure that public-service provision is responsive to the needs of businesses • Ensure that local regulations promote rather than hamper business expansion	• Total factor productivity • Rate of growth of labour productivity (5 years) • Share of informal sector in total industrial production • Percentage of informal-sector enterprises without secure tenure status
Promote economic base flexibility • Encourage expansion of new industries • Decrease reliance on imported goods and services	• Percentage new industries located in city compared with growth of new industries nationally

Table 9: Second-stage indicators – social development

Policy goals/sub-goals	Second-stage indicators
Promote sustainable demographic growth • Ensure city-wide economic and financial policies reflect expected rate and characteristics of population growth • Ensure social-service strategies reflect role and characteristics of population growth • Coordinate regional-urban development strategies with desired city population growth	• Ratio of cost of living index to household income (2-years) • Ratio of school, medical and other social services to client population in relevant age-groups
Facilitate health and education for all • Improve access to health and education services • Improve affordability of health and education • Improve quality of health and education • Improve operational efficiency of health and education services • Improve quality and quantity of training services	• Percentage of government budgets devoted to health and education • Mortality rates by cause • Physical access to affordable primary health centres • Ratio of pre-school places/1000 population
Promote social integration • Increase public safety • Reduce polarization of city districts by income • Facilitate awareness	• Percentage police time engaged on maintenance of public order duties • Availability of community halls, sports facilities, cinemas and other recreational facilities
Promote full participation of women • Full inclusion of women in government decision-making • Provide health and day care facilities for working women • Facilitate equal land tenure rights for women • Facilitate equal access to credit for women to support their families	• Percentage of women in key management positions • Percentage households owning land or property, by gender • Percentage of dwelling units owner-occupied by women • Percentage of women wishing to buy or rent land/dwelling but unable to obtain credit

Table 10: Second-stage indicators – infrastructure

Policy goals/sub-goals	Second-stage indicators
Improve provision of water supply • Improve access to water • Improve affordability of water • Improve quality, convenience and reliability of water	• Percentage of industrial/commercial/institutional connections per city GNP • Volume raw water produced daily per capita • Per capita water use for metered connections • Ratio of water expenditure to income: informal sector • Tanker truck price of water in dry season (monetary unit/cubic metre) • Price of 20 litre jerrican in dry season
Ensure sustainability of water-delivery systems • Improve financial viability of water utilities • Improve operational efficiency of water utilities • Promote efficiency in informal water supply	• Average cost of replacing public water supply with equivalent private facilities • Hours/day spent on water collection in dry season • Hours/day household is without water in dry season (fringe location and CBD) • Subsidy received per cubic metre of water produced • Ratio of water billed to water produced
Improve provision of sanitation services • Improve access to sanitation services • Improve affordability of sanitation services • Improve quality, convenience and reliability of sanitation services	• Number of industrial/commercial/institutional connections per city GNP • Number of public latrines/1000 population • Number of population using private pit latrines • Number desludging trucks/households not connected to sewer line • Median monthly sewer bill as percentage of monthly income • Monthly household expenditure on non-W.C. sanitation as percentage of monthly income • Ratio of new sewer connections to annual population increase • Annual sanitation authority budget per capita
Ensure sustainability of sanitation service systems • Improve financial viability of sanitation utilities • Improve operational efficiency of sanitation utilities • Promote efficiency in informal sanitation	
Improve provision of electricity service • Improve access to electricity • Improve affordability of electricity • Improve reliability of electricity provision	• Average number of hours per month with power cuts in parts or all of city • Median monthly electricity bill as a percentage of monthly income • Ratio of new electricity connections to annual population increase • Annual electricity authority budget per capita
Ensure sustainability of electricity service • Improve financial viability of electricity utilities • Improve operational efficiency of electricity utilities	
Improve provision of solid-waste collection and disposal service • Improve access to solid-waste collection and disposal • Improve affordability of solid-waste collection and disposal • Improve convenience and reliability of solid-waste collection and disposal	• Ratio of solid waste collected to produced (See table 13 for second-stage indicators)
Ensure sustainability of solid-waste collection and disposal service • Improve financial viability of solid-waste disposal enterprises • Improve operational efficiency of solid-waste disposal enterprises	

Table 11: Second-stage indicators - transport

Policy goal/sub-goals	Second-stage indicators
Improve performance of urban transport systems • Ensure provision of adequate system capacity • Improve efficiency of road network use • Improve transport affordability • Improve quality, reliability, and convenience of transport services **Ensure sustainability of urban transport systems** • Improve financial viability of public transport enterprises • Improve operational efficiency of public transport enterprises • Promote efficiency among private and informal transport providers • Minimize adverse environmental consequences of urban transport systems	(a) Vehicle indicators; • 4-wheel motorized vehicles/population • Passenger cars/population • 2-wheel motorized vehicles/population (b) Road network indicators; • 3 or more lane/vehicles • Paved 2 lane/vehicles • Unpaved 2 lane/vehicles • Number of signalized intersections/vehicles • Segregated bus ways • Maintenance expenditure/lane km (c) Private, public and non-motorized modes, average distance and average time by trip purpose • Home to all non-work • Non-home based (d) Public transport indicators (large buses, mini/micro buses shared taxis, single-occupation taxis) • Total number • Percentage daily operation • Daily passenger trips • Vehicle km/vehicle daily operation • Vehicle age • Unlinked/linked trips

Table 12: Second-stage indicators - shelter and land

Policy goals/sub-goals	Second-stage indicators
Improve provision of housing and land • Facilitate production of housing in response to demand • Improve quality of housing • Improve affordability of housing • Facilitate efficient urban land markets **Ensure sustainability of housing-delivery systems** • Ensure adequate supplies of housing inputs, including finance • Facilitate provision of residential infrastructure in response to demand • Rationalize subsidy systems • Rationalize systems of regulation and property rights	(a) Affordability • Down-market penetration • Excessive housing expenditure • House price appreciation (b) Housing production • Construction cost and time • Industrial concentration • Residential construction employment • Housing starts • Land conversion multiplier (c) Housing quality • Median-priced dwelling unit • Homelessness • Indoor plumbing • Residential energy efficiency • Residential mobility • Vacancy rate • Households per dwelling • Owner-occupancy dwelling • Persons per room • Squatter housing • Gross residential density (d) Housing finance • Credit to value ratio • New housing credit • Mortgage to prime difference • Mortgage to deposit difference • Mortgage arrears rate (e) Housing subsidies and taxes • Effective property tax rate • Property tax receipts (f) Public housing • Public housing stock • Privatized public housing • Social rent-to-income ratio • Public housing subsidies • Public housing production • Waiting period (g) Gender access • Female mortgage loan ratio • Female property rights • House price-to-income ratio for female-headed households • Female construction labour (h) Land markets and regulatory systems • Restrictions on exchange • Land-registration coverage • Time needed to obtain permits • Percentage vacant land in public ownership • Percentage vacant land in private ownership held by largest landowners • Rent control • Saleable land ratio • Land/property development controls

Table 13: Second-stage indicators – environmental management

Policy goals sub-goals	Second-stage indicators
Mitigate environmental costs of urban development • Achieve target environmental quality standards • Promote self sufficiency in allocation of pollution costs • Minimize industrial water pollution • Achieve safe disposal of industrial waste rates • Minimize indoor and outdoor air pollution **Achieve sustainable environmental management** • Manage use of natural resources on a renewable basis • Achieve sustainable river and groundwater utilization • Achieve sustainable forest resources utilization • Minimize destruction of historic buildings	(a) Water • Number of days city major recreational water body closed for health reasons • Water quality monitoring staff/1000 population • Ratio of cu m waste treated/disposal • Subsidy per capita (5-year moving average) • Ratio of subsidy per capita (5-year moving average) • Percentage expenditure devoted to contracting services from private sector • Cost of water supplied per cu m per capita • Ratio of cu m sold to produced (b) Air • Ratio of morbidity from respiratory diseases • Percentage vehicles complying with emission regulations • Percentage power plant stacks with scrubbers • Air quality monitoring staff/1000 population • Ratio cu m atmospheric wastes treated/disposed • Subsidy per capita for abatement (5-year moving average) • Private-sector sales of air-purification equipment per capita (5-year moving average) • Percentage expenditure devoted to contracting services from private sector (c) Land (solid-waste residuals) • Percentage monitoring staff/1000 population • Cost of waste disposal/cu m/per capita • Subsidy to service providers per capita (5-year moving average) • Ratio of subsidy to service providers per capita to expenditure per capita (5-year moving average) • Percentage expenditure devoted to contracting service from private sector (d) Land use • Number of fatal road accidents/1000 population • Number of fatal industrial accidents/1000 population • Recreational land per capita • Percentage population within 15 minutes walk of park • Number of planning staff/100,000 population • Population density per sq km • Number of privately held land titles per 1000/population (e) Cultural heritage • Number of buildings on monument list • Number of staff of heritage organization/100,000 population • Subsidy to local government per capita (5-year moving average) • Subsidy to households per capita (5-year moving average) • Ratio of subsidies to local government per capita to expenditure per capita (5-year moving average)

Table 14: Second-stage indicators - local government

Policy goals/sub-goals	Second-stage indicators
Improve intergovernmental institutional arrangements • Ensure full delivery of services assigned to local governments • Ensure clear allocation of responsibilities among tiers of governments and parastatal agencies • Promote greater financial autonomy at local-government level • Promote certainty in intergovernmental transfers	• Ratio of services provided to assigned • Ratio of actual transfers to budgeted • Freedom to set rate of largest local tax without external approval • Existence of national uniform pay structure • Local-government freedom to choose public or private production methods • Existence of decentralized district units in city • Extent to which national political parties are involved in local elections
Promote democratic participation in local-government decision-making • Promote participation of community groups in local decision-making • Increase accountability of city officials to residents • Improve public awareness of legal democratic rights	• Percentage change in real per capita own-source revenues - 5 years • Percentage change in real per capita total source revenues - 5 years • Waste-disposal fee revenues/waste-disposal expenditures - 5 years • Ratio of new debts incurred/capital spending - 3 years • Collection efficiency: tax collected to taxes levied
Rationalize revenue generation • Improve links between service flows and payment for those services • Maximize cost recovery	• Median time needed to obtain permits for commercial building • Growth in number of new enterprises at city level compared with national • Ratio of local tax concessions/total local taxes (business) • Percentage of economic development expenditure/total expenditure
Strengthen role of local government in local economic development • Promote efficiency in land transactions • Maximize access to infrastructure and communications • Ensure regulations facilitate rather than hamper operation of local economic activities	• Existence of public employee incentive scheme • Percentage of full-time employees participating in formal training last year • Number of local government employees/1000 population
Enhance effective use of public resources • Improve productivity of staff • Facilitate optimum expenditure on maintenance activities • Ensure efficient balance of local government and contractual services	• Ratio of actual maintenance expenditure to recommended amount • Ratio of administrative expenditure to total expenditure

6. IMPLEMENTATION OF THE PROGRAMME

6.1 Introduction

The Urban Indicators Programme outlined in this report, based on the conclusions of the Expert Group Meeting in January 1994, has two prime functions:

(a) To propose a schedule of key urban indicators which can be rapidly assembled and used by countries in the preparation of their national reports for the Habitat II Conference, i.e., to help in harmonizing the approaches used by each country in its report;

(b) To form the catalyst for countries to begin consideration of the benefits of preparing a longer-term programme for using urban indicators which can assist in monitoring urban development and improving policy initiatives to meet their goals for urban development better;

These two complementary functions are now detailed;

6.2 Urban Indicators and country preparations for Habitat II

The Commission on Human Settlements has identified human settlements indicators as tools which can assist in assessing human settlements conditions, devising appropriate policies and strategies and measuring their impacts in improving human settlements. At the same time, indicators can contribute to achieving a common approach for country reports, using a harmonized approach.

The guiding principles underlying the preparatory process for Habitat II in general and country reports in particular are:

(a) A focus on country-level activities, using a broad-based consultative and a participatory in-country approach including the widest variety of public and private-sector actors involved with human settlements across the country (e.g., community leaders, civic leaders, national and local politicians, mayors, other major groups including the non-governmental community, business community and human settlements professionals from the public and private sector);

(b) An emphasis on qualitative as well as quantitative approaches to urban issues, policies and strategies in order to effectively contribute to the Global Plan of Action;

(c) Country and global reports should address the two central themes of Habitat II. Reports should identify and emphasise best practice, particular policies and approaches which are innovative and enabling, capable of generating sustainable economic growth, reducing poverty and enhancing the urban environment.

Taking into account the Commission's guidance on the contents of country reports and the most effective way of using the recommended urban indicators, the following broad contents list for country reports is proposed;

(a) Review of human settlements characteristics in the country concerned as at 1995/96, with emphasis on urbanization trends. (It is suggested that countries may consider using the sectors identified in the Urban Indicators Programme and Housing Indicators Programme for structuring this section, including other areas such as participation and community involvement, disaster planning, training and capacity-building.)

(b) Review of the changes in the human settlements development since 1976, including an analysis of major trends, using quantitative policy sensitive key housing indicators and the first stage urban indicators;

(c) Identification of best practice and innovative approaches used in the public and private sectors to address human settlements problems and resource constraints over the 1976-1996 period;

(d) Highlighting of current urban policy issues at national, sub-national and city levels and policy and strategy options based on conclusions of a participatory process;

(e) Detailed national action plan for the 1996-2020 period reflecting a common national view of the challenges ahead, including:

(i) Macro and sectoral policy goals for urbanization
(ii) Set of programmes and sub-programmes for investing in economic, social and environmental sustainable development, with realistic targets and timetables;
(iii) Initiatives in increased democratization, participation and capacity-building;
(iv) Human, technical and financial resource requirements, including the role of external assistance;
(v) Proposals for regular monitoring of performance of the urban and housing sectors to measure progress in achieving of policy goals; help identify critical issues and take avoiding actions; and provide a forum for networking of ideas, best practice and other exchanges of information through city and country networking activities.

Reverting to the implementation of the proposed first stage and longer term Urban Indicators Programme, there are two broad approaches which can be followed: a "linked" approach, whereby initial actions on the longer term programme take place in 1994 in parallel with the first-stage requirements for Habitat II, and a "de-linked" approach, whereby start-up on the longer-term programme is delayed until 1995. It is recommended that, given the linkages between the first-and second-stage indicators that a "linked" approach for the development of urban indicators is preferable.

Based on this assumption, a preliminary timetable of events can be proposed:

May-June 1994

(a) Based on the conclusions of the Preparatory Committee meeting, the first-stage urban indicators proposed for country reporting will be revised as necessary and then distributed to country focal points for initial consideration in in-country meetings for the preparation of country reports.

(b) At the same time, countries receive guidelines on the use of the indicators in country reports preparation as well as:

- General guidance on data sources;
- Information on help available from other global programmes (e.g., Urban Management Programme, Sustainable Cities Programme, City Data Programme, Housing Indicators Programme);
- Explanation on the rationale and benefits for the longer-term development of urban indicators and requests for countries to express their initial interest in becoming involved in such a process.

(c) Start of a sustained awareness building campaign at city, national and international levels, aimed at convincing politicians, city administrators, government ministries and other influential stakeholders on the relevance and benefits to be gained from using urban indicators to help meet their particular urban concerns. A coordinated approach by external support agencies will be needed.

(d) Identification of funding sources and confirmation of budgets to be used to assist countries in applying the first-stage indicators in country reports and, at a later stage, field testing of second-stage indicators as part of Urban Indicators Programme.

(e) Agreement between UNCHS (Habitat) and other external support agencies on coordinated programmes of work on Urban Indicators Programme, including cost-sharing, information exchange etc.

July-October, 1994

(a) Discussions and meetings with national and international organizations on goals, contents and implementation strategies for the Urban Indicators Programme.

(b) Preliminary identification of countries for pilot testing of the Urban Indicators Programme longer-term programme, based on interest shown from the country level in response to initial contacts made under the first stage programme.

(c) Field-testing of indicators in selected countries and monitoring progress in the use of first stage indicators, and information exchange between countries and external support agencies as part of preparatory work on draft country reports.

November 1994 - February 1995

(a) Countries submit their preliminary findings including their observations on the application of indicators.

(b) Modifications to the Urban Indicators Programme, based on results of monitoring country experience, and country proposals for further development of Urban Indicators Programme.

(c) Revised Urban Indicators Programme guidelines distributed to all countries for use in preparation of country reports.

March-November 1995

(a) Field testing and further development of indicators for regular monitoring of the urban sector.

6.3 Urban Indicators Programme in the longer term

As should be by now clear, the direction and focus of the longer-term Urban Indicators Programme will depend very much on the interest, understanding and responses of individual countries in using the indicators to help focus on urban issues, monitor changes and identify new policy directions. As should also be clear from chapter 5, there are substantial sector issues where even simple indicators can be used but which, nevertheless, will initially require significant resources for data collection and analysis.

In addition, as also noted in chapter 5, urban indicators can be further developed in line with more substantive research on important urban issues. It is useful at this point to consider the wider issues of the conceptual and statistical framework for analysis at the city and urban levels.

In designing a longer-term Urban Indicators Programme for a country, one has to recognize that there is no widely accepted methodology and/or conceptual framework for city/urban-level analysis able to provide operational statistical guidance for the measurement of important variables and indicators. (The only area where a satisfactory level of analysis has been achieved in terms of

methodology and operational definitions has been achieved is in local-government finance statistics.) In most other sectors the development of widely-accepted methodologies is typically at an early stage.

It is, therefore, of paramount importance that the Urban Indicators Programme devotes sufficient time to the development of common conceptual frameworks and the harmonization of definitions and measurement rules. To take two examples, both informal-sector activities and street children are very important social concerns in developing-country cities and increasingly in developed-country cities. Yet despite their importance in the social and economic development of the city, there are no commonly accepted definitions of either group. Without such accepted definitions, it is clear that it would be much more difficult to formulate effective interventions to meet real needs.

Finally, it should be re-emphasized that the longer term focus, directions and timescale of the Urban Indicators Programme will depend very much on the level of interest and commitment by individual countries. In any case, UNCHS (Habitat), together with the World Bank are committed to mobilize the cooperation of other external support agencies, to enter fully into joint approaches with countries both to assist in country-level Urban Indicators Programme activities and to begin the formulation of global-level Urban Indicators Programme publications, research and related capacity-building activities.